

20 Apr 2012

Fryer's Oilseed Report

Close			Premiums (¢/bu)			Fob (\$/mt)		
Beans	19-Apr		US	Brazil	Argentina	US	Brazil	Argentina
Futures	¢/bu	+(-)						
May (K)	1'415.75	8.00	May 71	75	53	May 545.94	547.78	541.62
Jul (N)	1'421.00	7.50	Jun 70	74	58	Jun 547.87	549.34	543.46
Sep (N)	1'375.50	7.25	Jul 74	75	60	Jul 549.34	549.71	544.19

Close			Premiums (\$/st)			Fob (\$/mt)		
SoyMeal			US HiPro	Brazil 48	Argentina 47	US	Brazil	Argentina
Futures	\$/st	+(-)						
May (K)	391.90	1.30	May 15	-3	8	May 448.53	428.68	440.81
Jul (N)	395.40	1.50	Jun 15	-6	7	Jun 452.38	429.24	443.57
Sep (N)	378.20	1.30	Jul 13	-6	7	Jul 450.18	429.24	443.57

Close			Premiums (¢/lb)			Fob (\$/mt)		
BeanOil			US	Brazil	Argentina	US	Brazil	Argentina
Futures	¢/lb	+(-)						
May (K)	55.17	-0.02	May 1.75	1.20	0.85	May 1252.2	1240.1	1245.9
Jul (N)	55.59	-0.01	Jun 1.50	0.40	0.40	Jun 1256.0	1231.8	1231.8
Sep (N)	55.94	-0.01	Jul 1.50	0.45	0.40	Jul 1256.0	1232.9	1231.8

CBOT crush			Dalian					Malay Palmoil	
Oil Share	¢/bu	53.30	Beans (U)	Meal (U)	Beanoil (U)	Rapeoil (U)	Palmoil (U)	KL (K)	Fob\$ May
	41.31%		4'536	3'359	9'874	10'546	8'820	3'455	1'160.0
	-0.09%		(1)	+11	+16	+20	(6)	(22)	-5.0
	1.3125			US\$/CNY	6.307			US\$MYR	3.0700
SX12/CZ12		Rapeseed/ Canola			Sunseed		Sunoil		Braz Real/US\$
Previous	2.53	Matif (K)	W'peg (K)	German May	France May	Argentina	Bl. Sea	Close	1.880
Close Apr 19	2.48	502.75	614.80	503.00	505.0	1185-1205	n/a	Previous	1.879
Change	-0.05	3.00	1.40	0.00	+0.00	5.00	n/a	Change	-0.05%

Crops/Weather: Again few changes to end the week. Precip in Brazil remains near normal for the next week whilst Argentina is dry, and US precip remains mostly below normal for the next 5-8 days. China now has rain everywhere and European precip remains generally near normal except for Iberia and parts of Ukraine. Precip in southern India and Pakistan is a little less than in yesterday's run.

Trade: US weekly export sales for old crop were 14 Mbu for a season total 1,196 Mbu down 20% (USDA down 14%). China took 34% of the weekly total. New crop sales were a large 31 Mbu (with China taking 73%) and new crop commitments are now record large at 270 Mbu, up almost 10% on last year.

Markets: Another mixed day for the CBOT soy complex. Beans ended well off the highs despite good sales and more S American crop reductions, with SX/CZ falling to a 3-week low, meal ended just slightly better despite export sales well above expectations, and oil ended unchanged taking oil share slightly lower again. US Fob premiums on beans remain below Brazil on old crop, and US old crop sales since the start of 2012 have stand at 320 Mbu, some 120 Mbu higher than in 2011. Basis these numbers and current premium structure, there is possible sizeable upside to the US old crop export number.

Argentine domestic values rose around 5 pesos, whilst S American premiums were little changed. The Argentine AgMin lowered its crop 1.1 Mmt to 42.9 Mmt (USDA 45 Mmt), and it is expected that USDA will not pick up the full extent of the S American crop losses until the June report.

European markets gapped higher on old crop and ended just €1 off the contract high close, whilst new crop remains about €3 off the highs. The ratings agencies appear to be taking aim again at Spain, Italy and France.

Canadian canola also managed slight gains but on limited news ahead of next week's Stats Canada acreage report.

Asian markets are mostly trading higher this morning but like the US, they will all end lower for the week. Malaysia's 1-20 April palmoil exports were put at 840kt, down 5% on the month.

Outlook: Beans continue to bounce off the long term up-trend but yesterday's volume on the rebound was quite a bit less than during Wednesday's sell-off, and the current fund length plus a significant resistance point on the charts argues for prudence. Fundamentally however there is no change to the long term supportive outlook as the pace of US old crop exports and the seeming unceasing falls in S American production do not argue for any deep or sustained losses.

Overnight is up 2-7¢, the US\$ index is down 5 at 79.65, crude is up 30¢ at \$102.60.